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Texaco Purchases a 20 Percent Interest in Energy Conversion Devices, Inc.

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Companies Announce Plans for Joint Ventures to

Commercialize 'Green' Energy Technologies

DETROIT, May 2 /PRNewswire/ -- Texaco (NYSE: TX) and Energy Conversion Devices, Inc. (Nasdaq: ENER) announced today the execution of a share purchase agreement for Texaco to purchase a 20 percent equity stake in Energy Conversion Devices, Inc. for \$67.3 million. Additionally, the companies have agreed to establish joint ventures for the continued development and commercialization of advanced energy technologies, initially in the fields of ECD's proprietary Ovonic solid hydrogen storage technology and the Ovonic regenerative fuel cell.

Headquartered in Troy, Mich., Energy Conversion Devices, Inc. (ECD) develops and commercializes enabling technologies for use in the fields of alternative energy and information technologies. The company holds patents in materials engineering, solid hydride storage, photovoltaics, batteries, semiconductor applications and other areas.

Texaco's interest in ECD will be managed by Texaco Energy Systems Inc., a wholly owned subsidiary of Texaco Inc., established in 1999 to harness the company's fuel conversion expertise to advance

commercialization activities in the areas of fuel cells and hydrocarbons-to-liquids.

"Energy Conversion Devices represents an exciting investment opportunity for Texaco and this agreement reflects our commitment to developing the next generation of advanced energy technologies," said William M. Wicker, Texaco Inc. Senior Vice President. "We intend to be a company that is responsive to the changing face of the marketplace and the energy sector. While oil and gas will remain the dominant energy resource for the foreseeable future, hydrogen will inevitably become part of the energy mix, and Texaco aims to be a leader in the development and commercialization of environmentally smart alternative energy technologies."

In a joint statement, Stanford R. Ovshinsky, ECD President and CEO, and Robert C. Stempel, ECD Chairman, said, "We are very pleased with this alliance which will move our advanced technology into the marketplace and be an enabler for the coming hydrogen economy."

Under the terms of the agreement, Texaco will purchase 20 percent of the ECD shares outstanding after the transaction. The price is the average of the market price on the five days preceding the day the share purchase agreement was signed. Texaco will hold two seats on the ECD Board of Directors.

Operating in over 150 countries worldwide, Texaco explores for and produces crude oil, natural gas and natural gas liquids; manufactures and markets high quality fuels and lubricants; and operates trading, transportation and distribution facilities; and produces alternate forms of energy. Texaco is a world leader in gasification technology, an environmentally advanced technology for the conversion of coal, petroleum coke and other low-value hydrocarbons into a clean synthesis gas, which is used for the production of electric power as well as chemical products and industrial gases, including hydrogen.

ECD and its network of business partners and licensees are manufacturing cutting edge products in three rapidly growing global markets: information technology, energy

generation and energy storage. ECD designs and builds manufacturing machinery that incorporate its proprietary production processes, maintains ongoing research and development programs to continually improve its products and develops new applications for its technologies.

Listen in live to Texaco's and ECD's Press Conference Tuesday, May 2 at 11:30 a.m. EDT at:
<http://webevents.broadcast.com/texaco/pressevent050200/>

For Further Information: www.texaco.com &
www.ovonic.com

This press release may contain forward-looking statements within the meaning of the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are based on certain assumptions which Texaco and ECD, as of the date of this release, believe to be reasonable and appropriate. Texaco and ECD caution, however, that the actual facts and conditions that may exist in the future could vary materially from the assumed facts and conditions upon which such forward-looking statements are based. SOURCE Energy Conversion Devices, Inc.

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